

106TH CONGRESS
2D SESSION

H. R. 4695

To enhance the ability of law enforcement to combat money laundering.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 2000

Mr. McCOLLUM (for himself and Mrs. ROUKEMA) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Banking and Financial Services, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To enhance the ability of law enforcement to combat money laundering.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Money Laundering Act
5 of 2000”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Illegal money transmitting businesses.
- Sec. 4. Long-arm jurisdiction over foreign money launderers.

- Sec. 5. Laundering money through a foreign bank.
- Sec. 6. Specified unlawful activity for money laundering.
- Sec. 7. Criminal forfeiture for money laundering conspiracies.
- Sec. 8. Subpoenas for bank records.
- Sec. 9. Charging money laundering as a course of conduct.
- Sec. 10. Venue in money laundering cases.
- Sec. 11. Technical amendment to restore wiretap authority for certain money laundering offenses.
- Sec. 12. Knowledge that the property is the proceeds of a felony.
- Sec. 13. Money purchased on the black market.
- Sec. 14. Money laundering transaction; commingled accounts.
- Sec. 15. Discovery procedure for locating laundered money.
- Sec. 16. Repatriation of property placed beyond the jurisdiction of the court.
- Sec. 17. Laundering the proceeds of terrorism.
- Sec. 18. Bulk cash smuggling.
- Sec. 19. Currency couriers.
- Sec. 20. Violations of section 60501.
- Sec. 21. Proceeds of foreign crimes.
- Sec. 22. Authorization to share recovered property with cooperating foreign governments.
- Sec. 23. In personam judgments.
- Sec. 24. Criminal forfeiture of property in Government custody.
- Sec. 25. Restraint of property subject to criminal forfeiture.
- Sec. 26. Including agencies of tribal governments in the definition of a financial institution.
- Sec. 27. Transfer of reporting requirements from section 60501 of the Internal Revenue Code of 1986 to title 31, United States Code.
- Sec. 28. Penalties for violations of geographic targeting orders and certain record keeping requirements.
- Sec. 29. Inadmissibility of aliens involved in money laundering.
- Sec. 30. Miscellaneous minor amendments.
- Sec. 31. Collection or criminal forfeiture judgment.
- Sec. 32. Nonabatement of forfeiture when defendant dies pending appeal.

1 **SEC. 3. ILLEGAL MONEY TRANSMITTING BUSINESSES.**

2 (a) SCIENTER REQUIREMENT FOR SECTION 1960
 3 VIOLATION.—Section 1960 of title 18, United States
 4 Code, is amended by adding at the end the following:

5 “(c) For the purposes of proving a violation of this
 6 section involving an illegal money transmitting business
 7 as defined in subsection (b)(1)(A), it shall be sufficient
 8 for the Government to prove that the defendant knew that
 9 the money transmitting business lacked a license required
 10 by State law, failed to comply with the money transmitting

1 business registration requirements of section 5330 of title
 2 31, United States Code or the regulations thereunder, or
 3 both. It shall not be necessary to show that the defendant
 4 knew that the operation of such a business without the
 5 required license or registration was an offense punishable
 6 as a felony or misdemeanor.”.

7 (b) SEIZURE OF ILLEGALLY TRANSMITTED
 8 FUNDS.—Section 981(a)(1)(A) of title 18, United States
 9 Code, is amended by striking “or 1957” and inserting “,
 10 1957 or 1960”.

11 **SEC. 4. LONG-ARM JURISDICTION OVER FOREIGN MONEY**
 12 **LAUNDERERS.**

13 Section 1956(b) of title 18, United States Code, is
 14 amended—

15 (1) by inserting “(1)” after “(b)”;

16 (2) by redesignating paragraphs (1) and (2) as
 17 subparagraphs (A) and (B) respectively;

18 (3) by inserting “, or section 1957” after “or
 19 (a)(3)”;

20 (4) by adding at the end the following:

21 “(2) For purposes of adjudicating an action
 22 filed or enforcing a penalty ordered under this sec-
 23 tion, the district courts shall have jurisdiction over
 24 any foreign person, including any financial institu-
 25 tion authorized under the laws of a foreign country,

1 that commits an offense under subsection (a) involv-
 2 ing a financial transaction that occurs in whole or
 3 in part in the United States, if service of process
 4 upon such foreign person is made under the Federal
 5 Rules of Civil Procedure or the laws of the country
 6 where the foreign person is found.

7 “(3) The court may issue a pretrial restraining
 8 order or take any other action necessary to ensure
 9 that any bank account or other property held by the
 10 defendant in the United States is available to satisfy
 11 a judgment under this section.”.

12 **SEC. 5. LAUNDERING MONEY THROUGH A FOREIGN BANK.**

13 Section 1956(c)(6) of title 18, United States Code,
 14 is amended to read as follows:

15 “(6) the term ‘financial institution’ includes any
 16 financial institution described in section 5312(a)(2)
 17 of title 31, United States Code, or the regulations
 18 promulgated thereunder, as well as any foreign
 19 bank, as defined in paragraph (7) of section 1(b) of
 20 the International Banking Act of 1978 (12 U.S.C.
 21 3101(7)).”.

22 **SEC. 6. SPECIFIED UNLAWFUL ACTIVITY FOR MONEY LAUN-**
 23 **DERING.**

24 (a) IN GENERAL.—Section 1956(c)(7) of title 18,
 25 United States Code, is amended—

1 (1) in subparagraph (B)—

2 (A) so that clause (ii) reads as follows:

3 “(ii) any act or acts constituting a
4 crime of violence;”; and

5 (B) by inserting after the clause (iii) the
6 following:

7 “(iv) bribery of a public official, or
8 the misappropriation, theft, or embezzle-
9 ment of public funds by or for the benefit
10 of a public official;

11 “(v) smuggling or export control viola-
12 tions involving munitions listed in the
13 United States Munitions List or tech-
14 nologies with military applications as de-
15 fined in the Commerce Control List of the
16 Export Administration Regulations; or

17 “(vi) an offense with respect to which
18 the United States would be obligated by a
19 multilateral treaty either to extradite the
20 alleged offender or to submit the case for
21 prosecution, if the offender were found
22 within the territory of the United States.”;

23 (2) in subparagraph (D)—

24 (A) by inserting “section 541 (relating to
25 goods falsely classified),” before “section 542”;

1 (B) by inserting “section 922(1) (relating
2 to the unlawful importation of firearms), sec-
3 tion 924(m) (relating to firearms trafficking),”
4 before “section 956”;

5 (C) by inserting “section 1030 (relating to
6 computer fraud and abuse),” before “1032”;

7 (D) by inserting “any felony violation of
8 the Foreign Agents Registration Act of 1938,
9 as amended,” before “or any felony violation of
10 the Foreign Corrupt Practices Act”; and

11 (E) by striking “fraud in the sale of secu-
12 rities” and inserting “fraud in the purchase or
13 sale of securities”.

14 (3) in paragraph (E), by inserting “the Clean
15 Air Act (42 U.S.C. 7401 et seq.), the Lacey Act (16
16 U.S.C. 3371–78,” after “the Safe Drinking Water
17 Act (42 U.S.C. 300f et seq.),”.

18 (b) BURGLARY AND EMBEZZLEMENT.—Section
19 1961(1)(A) of title 18, United States Code, is amended
20 by inserting “burglary, embezzlement” after “robbery,”.

21 **SEC. 7. CRIMINAL FORFEITURE FOR MONEY LAUNDERING**
22 **CONSPIRACIES.**

23 Section 982(a)(1) of title 18, United States Code, is
24 amended by inserting “, or a conspiracy to commit any
25 such offense” after “of this title”.

1 **SEC. 8. SUBPOENAS FOR BANK RECORDS.**

2 Section 986 of title 18, United States Code, is
3 amended—

4 (1) in subsection (a)—

5 (A) by striking “section 1956, 1957, or
6 1960 of this title, section 5322 or 5324 of title
7 31, United States Code” and inserting “section
8 981 or 982 of this title”;

9 (B) by inserting “before or” before
10 “after”;

11 (C) by striking “in rem”; and

12 (D) by striking the last sentence; and

13 (2) in subsection (c), by inserting “or the Fed-
14 eral Rules of Criminal Procedure” after “Proce-
15 dure”.

16 **SEC. 9. CHARGING MONEY LAUNDERING AS A COURSE OF**
17 **CONDUCT.**

18 Section 1956(h) of title 18, United States Code, is
19 amended—

20 (1) by inserting “(1)” before “Any person”;
21 and

22 (2) by adding at the end the following:

23 “(2) Any person who commits multiple viola-
24 tions of this section or section 1957 that are part of
25 the same scheme or continuing course of conduct

1 may be charged, at the election of the Government,
2 in a single count in an indictment or information.”.

3 **SEC. 10. VENUE IN MONEY LAUNDERING CASES.**

4 Section 1956 of title 18, United States Code, is
5 amended by adding at the end the following:

6 “(i) VENUE.—(1) Except as provided in paragraph
7 (2), a prosecution for an offense under this section or sec-
8 tion 1957 may be brought in—

9 “(A) any district in which the financial or mon-
10 etary transaction is conducted, or

11 “(B) any district where a prosecution for the
12 underlying specified unlawful activity could be
13 brought, if the defendant participated in the transfer
14 of the proceeds of the specified unlawful activity
15 from that district to the district where the financial
16 or monetary transaction is conducted.

17 “(2) A prosecution for an attempt or conspiracy of-
18 fense under this section or section 1957 may be brought
19 in the district where venue would lie for the completed of-
20 fense under paragraph (1), or in any other district where
21 an act in furtherance of the attempt or conspiracy took
22 place.”.

1 **SEC. 11. TECHNICAL AMENDMENT TO RESTORE WIRETAP**
 2 **AUTHORITY FOR CERTAIN MONEY LAUN-**
 3 **DERING OFFENSES.**

4 Section 2516(1)(g) of title 18, United States Code,
 5 is amended by striking “a violation of section 5322 of title
 6 31, United States Code (dealing with the reporting of cur-
 7 rency transactions)” and inserting “a violation of section
 8 5322 or 5324 of title 31, United States Code (dealing with
 9 the reporting and illegal structuring of currency trans-
 10 actions)”.

11 **SEC. 12. KNOWLEDGE THAT THE PROPERTY IS THE PRO-**
 12 **CEEDS OF A FELONY.**

13 Section 1956(c)(1) of title 18, United States Code,
 14 is amended by inserting “, and regardless of whether or
 15 not the person knew that the activity constituted a felony”
 16 before the semicolon at the end.

17 **SEC. 13. MONEY PURCHASED ON THE BLACK MARKET.**

18 (a) IN GENERAL.—Section 981(a) of title 18, United
 19 States Code is amended by adding at the end the fol-
 20 lowing:

21 “(3) A person asserting an innocent owner de-
 22 fense under section 983(d) to the forfeiture of cur-
 23 rency, monetary instruments or funds purchased or
 24 received from a money broker must be a bona fide
 25 purchaser for value without reason to know that the
 26 currency, monetary instruments or funds were sub-

1 ject to forfeiture, and must establish that such per-
2 son took all reasonable affirmative steps to deter-
3 mine the source of the currency, monetary instru-
4 ments or funds, or to verify that the currency, mone-
5 tary instruments or funds were not derived from ille-
6 gal activity.

7 “(4) For purposes of paragraph (3)—

8 “(A) the term ‘money broker’ means any
9 person who sells or exchanges currency, mone-
10 tary instruments or funds, either in the United
11 States or in a foreign country, either independ-
12 ently, or through any parallel market, black
13 market, casa de cambio, or other currency ex-
14 change business;

15 “(B) a person receives money from a
16 money broker if the person provides goods or
17 services to a customer and receives payment for
18 such goods or services from a money broker or
19 a person acting on behalf of a money broker;
20 and

21 “(C) what constitutes ‘all reasonable af-
22 firmative steps’ depends on the facts and cir-
23 cumstances surrounding the transaction, but if
24 the money broker is a financial institution, as
25 defined in section 20 of this title, the purchaser

1 takes ‘all reasonable affirmative steps’ if the
2 purchaser conducts the transaction at the fi-
3 nancial institution during normal business
4 hours in an arms-length transaction and has no
5 reason to know that the currency, monetary in-
6 struments, or funds were derived from or used
7 to commit any unlawful activity.’’.

8 (b) APPLICATION.—The amendments made by this
9 section shall apply to any case pending on the effective
10 date of this Act.

11 **SEC. 14. MONEY LAUNDERING TRANSACTION; COMMUN-**
12 **ICATED ACCOUNTS.**

13 (a) SECTION 1956.—Section 1956 of title 18, United
14 States Code, is amended by adding at the end the fol-
15 lowing:

16 “(j) A transaction, transportation, transmission, or
17 transfer of funds shall be considered for the purposes of
18 this section to be one involving the proceeds of specified
19 unlawful activity, or property represented to be the pro-
20 ceeds of specified unlawful activity, if the transaction,
21 transportation, transmission, or transfer involves—

22 “(1) funds directly traceable to the specified
23 unlawful activity, or represented to be directly trace-
24 able to the specified unlawful activity;

1 “(2) a bank account in which the proceeds of
2 specified unlawful activity, or property represented
3 to be the proceeds of specified unlawful activity,
4 have been commingled with other funds; or

5 “(3) 2 or more bank accounts, where the pro-
6 ceeds of specified unlawful activity, or property rep-
7 resented to be the proceeds of specified unlawful ac-
8 tivity, are deposited into 1 bank account and there
9 is a contemporaneous, related withdrawal from, or
10 debit to, another bank account controlled by the
11 same person, or by a person acting in concert with
12 that person.”.

13 (b) SECTION 1957.—Section 1957(f) of title 18,
14 United States Code, is amended by inserting after para-
15 graph (3) the following:

16 “(4) the term ‘monetary transaction in crimi-
17 nally derived property that is of a value greater than
18 \$10,000’ includes—

19 “(A) monetary transaction involving the
20 transfer, withdrawal, encumbrance or other dis-
21 position of more than \$10,000 from a bank ac-
22 count in which more than \$10,000 in proceeds
23 of specified unlawful activity have been commin-
24 gled with other funds;

1 “(B) a series of monetary transactions in
2 amounts under \$10,000 that exceed \$10,000 in
3 the aggregate and that are closely related to
4 each other in terms of time, the identity of the
5 parties involved, the nature of the transactions
6 and the manner in which they are conducted;
7 and

8 “(C) any financial transaction described in
9 section 1956(j)(3) that involves more than
10 \$10,000 in proceeds of specified unlawful activ-
11 ity.”.

12 (c) TECHNICAL AMENDMENTS.—

13 (1) Section 1956(c)(7)(F) of title 18, United
14 States Code, is amended by inserting “, as defined
15 in section 24” before the period.

16 (2) Section 1957 of title 18, United States
17 Code, is amended—

18 (A) in subsection (a), by striking “engages
19 or attempts to engage in” and inserting “con-
20 ducts or attempts to conduct”, and

21 (B) in subsection (f), by inserting the fol-
22 lowing after paragraph (3):

23 “(4) the term ‘conducts’ has the same meaning
24 as it does for purposes of section 1956 of this title.”

1 **SEC. 15. DISCOVERY PROCEDURE FOR LOCATING**
2 **LAUNDERED MONEY.**

3 Section 413(m) of the Controlled Substances Act (21
4 U.S.C. 853(m)) is amended by inserting before the period
5 at the end the following: “to the extent that the provisions
6 of the Rule are consistent with the purposes for which dis-
7 covery is conducted under this subsection. Because this
8 subsection applies only to matters occurring after the de-
9 fendant has been convicted and the property of the defend-
10 ant has been declared forfeited, the provisions of Rule 15
11 requiring the consent of the defendant and the presence
12 of the defendant at the deposition shall not apply”.

13 **SEC. 16. REPATRIATION OF PROPERTY PLACED BEYOND**
14 **THE JURISDICTION OF THE COURT.**

15 (a) **CRIMINAL FORFEITURE.**—Section 413(p) of the
16 Controlled Substances Act (21 U.S.C. 853(p)) is amended
17 by adding at the end the following: “In the case of prop-
18 erty described in paragraph (3), the court may, in addi-
19 tion, order the defendant to return the property to the
20 jurisdiction of the court so that it may be seized and for-
21 feited.”.

22 (b) **PRE-TRIAL RESTRAINING ORDER.**—Section
23 413(e) of the Controlled Substances Act (21 U.S.C.
24 853(e)) is amended by adding at the end the following:

25 “(4) Pursuant to its authority to enter a pre-
26 trial restraining order under this section, including

1 its authority to restrain any property forfeitable as
 2 substitute assets, the court may also order the de-
 3 fendant to repatriate any property subject to for-
 4 feiture pending trial, and to deposit that property in
 5 the registry of the court, or with the United States
 6 Marshals Service or the Secretary of the Treasury,
 7 in an interest-bearing account. Failure to comply
 8 with an order under this subsection, or an order to
 9 repatriate property under subsection (p), shall be
 10 punishable as a civil or criminal contempt of court,
 11 and may also result in an enhancement of the sen-
 12 tence for the offense giving rise to the forfeiture
 13 under the obstruction of justice provision of section
 14 3C1.1 of the Federal Sentencing Guidelines.”.

15 **SEC. 17. LAUNDERING THE PROCEEDS OF TERRORISM.**

16 Section 1956(c)(7)(D) of title 18, United States
 17 Code, is amended by inserting “or 2339B” after “2339A”.

18 **SEC. 18. BULK CASH SMUGGLING.**

19 (a) ENACTMENT OF BULK CASH SMUGGLING OF-
 20 FENSE.—Chapter 53 of title 31, United States Code, is
 21 amended by adding at the end the following:

22 **“§ 5331. Bulk cash smuggling**

23 “(a) CRIMINAL OFFENSE.—Whoever, with the intent
 24 to evade a currency reporting requirement under section
 25 5316, knowingly conceals more than \$10,000 in currency

1 or other monetary instruments on his person or in any
2 conveyance, article of luggage, merchandise, or other con-
3 tainer, and transports or transfers or attempts to trans-
4 port or transfer such currency or monetary instruments
5 from a place within the United States to a place outside
6 of the United States, or from a place outside the United
7 States to a place within the United States, shall be guilty
8 of a currency smuggling offense and subject to punish-
9 ment pursuant to subsection (b). For purposes of this sec-
10 tion, ‘monetary instruments’ has the meaning set forth in
11 this chapter and the regulations promulgated thereunder.

12 “(b) PENALTY.—A person convicted of a currency
13 smuggling offense under subsection (a), or a conspiracy
14 to commit such offense, shall be fined under title 18 or
15 imprisoned not more than 5 years, or both. If the aggre-
16 gate amount of currency or monetary instruments involved
17 in an offense under subsection (a) equals or exceeds
18 \$500,000, the maximum term of imprisonment for the of-
19 fense shall be 10 years. In addition, the court, in imposing
20 sentence, shall order that the defendant forfeit to the
21 United States, any property, real or personal, involved in
22 the offense, and any property traceable to such property,
23 subject to subsection (d) of this section. The forfeiture of
24 property under this section shall be governed by section
25 413 of the Controlled Substances Act. If the property sub-

1 ject to forfeiture is unavailable, and the defendant has no
2 substitute property that may be forfeited pursuant to sec-
3 tion 413 of the Controlled Substances Act, the court shall
4 enter a personal money judgment against the defendant
5 for the amount that would be subject to forfeiture.

6 “(c) SEIZURE OF SMUGGLING CASH.—Any property
7 involved in a violation of subsection (a), or a conspiracy
8 to commit such violation, and any property traceable
9 thereto, may be seized and, subject to subsection (d) of
10 this section, forfeited to the United States. The seizure
11 and forfeiture shall be governed by the procedures gov-
12 erning civil forfeitures in money laundering cases pursuant
13 to section 981(a)(1)(A) of title 18, United States Code.
14 For purposes of this subsection and subsection (b), any
15 currency or other monetary instrument that is concealed
16 or intended to be concealed in violation of subsection (a)
17 or a conspiracy to commit such violation, any article, con-
18 tainer, or conveyance used or intended to be used to con-
19 ceal or transport the currency or other monetary instru-
20 ment, and any other property used or intended to be used
21 to facilitate the offense, shall be considered property in-
22 volved in the offense.

23 “(d) PROPORTIONALITY OF FORFEITURE.—Upon a
24 showing by the property owner by a preponderance of the
25 evidence that the currency or monetary instruments in-

1 volved in the offense giving rise to the forfeiture were de-
2 rived from a legitimate source, and were intended for a
3 lawful purpose, the court shall reduce the forfeiture to the
4 maximum amount that is not grossly disproportional to
5 the gravity of the offense. In determining the amount of
6 the forfeiture, the court shall consider all aggravating and
7 mitigating facts and circumstances that have a bearing on
8 the gravity of the offense. Such circumstances include, but
9 are not limited to, the following: the value of the currency
10 or other monetary instruments involved in the offense; ef-
11 forts by the person committing the offense to structure
12 currency transactions, conceal property, or otherwise ob-
13 struct justice; and whether the offense is part of a pattern
14 of repeated violations of this section or any other currency
15 reporting money laundering offenses.”.

16 (b) CLERICAL AMENDMENT.—The table of sections
17 at the beginning of chapter 53 of title 31, United States
18 Code, is amended by adding at the end the following new
19 item:

“5331. Bulk cash smuggling.”.

20 (e) CURRENCY REPORTING VIOLATIONS.—Section
21 5317(c) of title 31, United States Code, is amended to
22 read as follows:

23 “(c)(1) The court in imposing sentence for any viola-
24 tion of section 5313, 5316, or 5324, or any conspiracy
25 to commit such a violation, shall order the defendant to

1 forfeit all property, real or personal, involved in the of-
2 fense and any property traceable thereto. Forfeitures
3 under this paragraph shall be governed by the procedures
4 set forth in section 413 of the Controlled Substances Act
5 (21 U.S.C. 853), and the guidelines set forth in paragraph
6 (3).

7 “(2) Any property involved in a violation of section
8 5313, 5316, or 5324, or any conspiracy to commit such
9 violation, and any property traceable thereto, may be
10 seized and, subject to subsection (c)(3) of this section, for-
11 feited to the United States in accordance with the proce-
12 dures governing civil forfeitures in money laundering cases
13 pursuant to section 981(a)(1)(A) of title 18, United States
14 Code.

15 “(3) Upon a showing by the property owner by a pre-
16 ponderance of the evidence that any currency or monetary
17 instruments involved in the offense giving rise to the for-
18 feiture were derived from a legitimate source, and were
19 intended for a lawful purpose, the court shall reduce the
20 forfeiture to the maximum amount that is not grossly dis-
21 proportional to the gravity of the offense. In determining
22 the amount of the forfeiture, the court shall consider all
23 aggravating and mitigating facts and circumstances that
24 have a bearing on the gravity of the offense. Such cir-
25 cumstances include, but are not limited to, the following:

1 the value of the currency or other monetary instruments
2 involved in the offense; efforts by the person committing
3 the offense to structure currency transactions, conceal
4 property, or otherwise obstruct justice; and whether the
5 offense is part of a pattern of repeated violations.”.

6 (f) CONFORMING AMENDMENTS.—(1) Section
7 981(a)(1)(A) of title 18, United States Code, is amended
8 by striking “of section 5313(a) or 5324(a) of title 31, or”.

9 (2) Section 982(a)(1) of title 18, United States Code,
10 is amended by striking “of section 5313(a), 5316, or 5324
11 of title 31, or”.

12 **SEC. 19. CURRENCY COURIERS.**

13 Section 1957 of title 18, United States Code, is
14 amended by adding the following new subsection at the
15 end:

16 “(g) Any person who conceals more than \$10,000 in
17 currency in any vehicle, or in any compartment or con-
18 tainer within any vehicle, and transport, attempts to
19 transports, or conspires to transport such currency in
20 interstate commerce on any public road or highway, know-
21 ing that the currency was derived from some form of un-
22 lawful activity, or knowing that the currency was intended
23 to be used to promote some form of unlawful activity, shall
24 be punished as provided in subsection (b). The defendant’s
25 knowledge may be established by proof that the defendant

1 was willfully blind to the source or intended use of the
2 currency.”.

3 **SEC. 20. VIOLATIONS OF SECTION 60501.**

4 Sections 981(a)(1)(A) and 982(a)(1) of title 18,
5 United States Code, are amended by inserting “, or of sec-
6 tion 60501 of the Internal Revenue Code of 1986 (26
7 U.S.C. 60501)” after “of title 31”.

8 **SEC. 21. PROCEEDS OF FOREIGN CRIMES.**

9 Section 981(a)(1)(B) of title 18, United States Code,
10 is amended to read as follows:

11 “(B) Any property, real or personal, within
12 the jurisdiction of the United States, consti-
13 tuting, derived from, or traceable to, any proc-
14 ess obtained directly or indirectly from conduct
15 constitutes an offense against a foreign nation
16 involving—

17 “(i) the manufacture, importation,
18 sale, or distribution of a controlled sub-
19 stance (as such term is defined for the
20 purposes of the Controlled Substances
21 Act); or

22 “(ii) any other conduct described in
23 section 1956(e)(7)(B), within whose juris-
24 diction such offense would be punishable
25 by death or imprisonment for a term ex-

ceeding one year and which would be punishable under the laws of the United States by imprisonment for a term exceeding one year if such conduct constituting the offense against the foreign nation had occurred within the jurisdiction of the United States, or any property used to facilitate such offense.”.

SEC. 22. AUTHORIZATION TO SHARE RECOVERED PROPERTY WITH COOPERATING FOREIGN GOVERNMENTS.

(a) IN GENERAL.—Section 981(i)(1) of title 18, United States Code, is amended by striking “this chapter” and inserting “any provision of Federal law”.

(b) CONFORMING AMENDMENT.—Section 511(e)(1) of the Controlled Substances Act is amended—

(1) by inserting “; or” at the end of subparagraph (C);

(1) by striking “; or” at the end of subparagraph (D) and inserting a period; and

(2) by striking subparagraph (E).

SEC. 23. IN PERSONAM JUDGMENTS.

Section 1963(l)(1) of title 18, United States Code, and section 413(n)(1) of the Controlled Substances Act (21 U.S.C. 853(n)(1)) are each amended by adding the

1 following sentence at the end: “To the extent that the
 2 order of forfeiture includes only an in personam money
 3 judgment against the defendant, no proceeding under this
 4 subsection shall be necessary.”.

5 **SEC. 24. CRIMINAL FORFEITURE OF PROPERTY IN GOVERN-**
 6 **MENT CUSTODY.**

7 Section 413(f) of the Controlled Substances Act (21
 8 U.S.C. 853(f)) is amended by adding at the end the fol-
 9 lowing: “If property subject to criminal forfeiture under
 10 this section is already in the custody of the United States
 11 or any agency thereof, it shall not be necessary to seize
 12 or restrain the property for the purpose of criminal for-
 13 feiture.”.

14 **SEC. 25. RESTRAINT OF PROPERTY SUBJECT TO CRIMINAL**
 15 **FORFEITURE.**

16 Section 413(e)(1) of the Controlled Substances Act
 17 (21 U.S.C. 853(e)(1)) is amended by striking “(a)” and
 18 inserting “(a) or (p)”.

19 **SEC. 26. INCLUDING AGENCIES OF TRIBAL GOVERNMENTS**
 20 **IN THE DEFINITION OF A FINANCIAL INSTI-**
 21 **TUTION.**

22 Section 5312(a)(2)(W) of title 31, United States
 23 Code, is amended by striking “State or local” and insert-
 24 ing “State, local, or tribal”.

1 **SEC. 27. TRANSFER OF REPORTING REQUIREMENTS FROM**
2 **SECTION 60501 OF THE INTERNAL REVENUE**
3 **CODE OF 1986 TO TITLE 31, UNITED STATES**
4 **CODE.**

5 (a) REENACTMENT OF SECTION 60501.—Subchapter
6 II of chapter 53 of title 31, United States Code, is amend-
7 ed by inserting after section 5331 the following new sec-
8 tion:

9 **“§ 5332. Reports relating to coins and currency re-**
10 **ceived in nonfinancial trade or business**

11 “(a) COIN AND CURRENCY RECEIPTS OF MORE
12 THAN \$10,000.—Any person—

13 “(1) who is engaged in a trade or business; and

14 “(2) who, in the course of such trade or busi-
15 ness, receives more than \$10,000 in coins or cur-
16 rency in 1 transaction (or 2 or more related trans-
17 actions),

18 shall file a report described in subsection (b) with respect
19 to such transaction (or related transactions) at such time
20 as the Secretary may by regulations prescribe.

21 “(b) FORM AND MANNER OF REPORTS.—A report is
22 described in this subsection if such report—

23 “(1) is in such form as the Secretary may pre-
24 scribe; and

25 “(2) contains—

1 “(A) the name, address, and taxpayer
2 identification number of the person from whom
3 the coins or currency was received;

4 “(B) the amount of coins or currency re-
5 ceived;

6 “(C) the date and nature of the trans-
7 action; and

8 “(D) such other information as the Sec-
9 retary may prescribe.

10 “(c) EXCEPTIONS.—

11 “(1) AMOUNTS RECEIVED BY FINANCIAL INSTI-
12 TUTIONS.—Subsection (a) shall not apply to
13 amounts received in a transaction reported under
14 section 5313 and regulations prescribed under such
15 section.

16 “(2) TRANSACTIONS OCCURRING OUTSIDE THE
17 UNITED STATES.—Except to the extent provided in
18 regulations prescribed by the Secretary, subsection
19 (a) shall not apply to any transaction if the entire
20 transaction occurs outside the United States.

21 “(d) CURRENCY INCLUDES FOREIGN CURRENCY AND
22 CERTAIN MONETARY INSTRUMENTS.—

23 “(1) IN GENERAL.—For purposes of this sec-
24 tion, the term ‘currency’ includes—

25 “(A) foreign currency; and

1 “(B) to the extent provided in regulations
 2 prescribed by the Secretary, any monetary in-
 3 strument (whether or not in bearer form) with
 4 a face amount of not more than \$10,000.

5 “(2) SCOPE OF APPLICATION.—Paragraph
 6 (1)(B) shall not apply to any check drawn on the ac-
 7 count of the writer in a financial institution referred
 8 to in subparagraph (A), (B), (C), (D), (E), (F), (G),
 9 (J), (K), (R), or (S) of section 5312(a)(2).

10 “(e) COINS OR CURRENCY RECEIVED BY CRIMINAL
 11 COURT CLERKS.—

12 “(1) IN GENERAL.—Every clerk of a Federal or
 13 State criminal court who receives more than \$10,000
 14 in coins or currency as bail for any individual
 15 charged with a specified criminal offense shall file a
 16 report described in paragraph (2) (at such time as
 17 the Secretary may by regulations prescribe) with re-
 18 spect to the receipt of such bail.

19 “(2) REPORT.—A report is described in this
 20 paragraph if such report—

21 “(A) is in such form as the Secretary may
 22 prescribe; and

23 “(B) contains—

24 “(i) the name, address, and taxpayer
 25 identification number of—

1 “(I) the individual charged with
2 the specified criminal offense; and

3 “(II) each person posting the bail
4 (other than a person licensed as a bail
5 bondsman);

6 “(ii) the amount of coins or currency
7 received;

8 “(iii) the date the coins or currency
9 was received; and

10 “(iv) such other information as the
11 Secretary may prescribe.

12 “(3) SPECIFIED CRIMINAL OFFENSE.—For pur-
13 poses of this subsection, the term ‘specified criminal
14 offense’ means—

15 “(A) any Federal criminal offense involv-
16 ing a controlled substance;

17 “(B) racketeering (as defined in section
18 1951, 1952, or 1955 of title 18, United States
19 Code);

20 “(C) money laundering (as defined in sec-
21 tion 1956, 1957, or 1960 of such title); and

22 “(D) any State criminal offense substan-
23 tially similar to an offense described in sub-
24 paragraph (A), (B), or (C).

1 “(4) INFORMATION TO FEDERAL PROSECU-
2 TORS.—Each clerk required to include in a report
3 under paragraph (1) the information described in
4 paragraph (2)(B) with respect to an individual de-
5 scribed in paragraph (2)(B)(i)(I) shall furnish (at
6 such time as the Secretary may by regulations pre-
7 scribe) a written statement showing such informa-
8 tion to the United States Attorney for the jurisdic-
9 tion in which such individual resides and the juris-
10 diction in which the specified criminal offense oc-
11 curred.

12 “(5) INFORMATION TO PAYORS OF BAIL.—Each
13 clerk required to file a report under paragraph (1)
14 shall furnish (at such time as the Secretary may by
15 regulations prescribe) to each person whose name is
16 required to be set forth in such report by reason of
17 paragraph (2)(B)(i)(II) a written statement
18 showing—

19 “(A) the name and address of the clerk’s
20 office required to file the report; and

21 “(B) the aggregate amount of coins and
22 currency described in paragraph (1) received by
23 such clerk.”.

24 (b) PROHIBITION ON STRUCTURING TRANS-
25 ACTIONS.—

1 (1) IN GENERAL.—Section 5324 of title 31,
2 United States Code, is amended—

3 (A) by redesignating subsections (b) and
4 (c) as subsections (c) and (d), respectively; and

5 (B) by inserting after subsection (a) the
6 following new subsection:

7 “(b) DOMESTIC COIN AND CURRENCY TRANS-
8 ACTIONS INVOLVING NONFINANCIAL TRADES OR BUSI-
9 NESSES.—No person shall for the purpose of evading the
10 report requirements of section 5332 or any regulation pre-
11 scribed under such section—

12 “(1) cause or attempt to cause a nonfinancial
13 trade or business to fail to file a report required
14 under section 5332 or any regulation prescribed
15 under such section;

16 “(2) cause or attempt to cause a nonfinancial
17 trade or business to file a report required under sec-
18 tion 5332 or any regulation prescribed under such
19 section that contains a material omission or
20 misstatement of fact; or

21 “(3) structure or assist in structuring, or at-
22 tempt to structure or assist in structuring, any tran-
23 sition with 1 or more nonfinancial trades or busi-
24 nesses.”.

1 (2) TECHNICAL AND CONFORMING AMEND-
2 MENTS.—

3 (A) The heading for subsection (a) of sec-
4 tion 5324 of title 31, United States Code, is
5 amended by inserting “INVOLVING FINANCIAL
6 INSTITUTIONS” after “TRANSACTIONS”.

7 (B) Section 5317(c) of title 31, United
8 States Code, is amended by striking “5324(b)”
9 and inserting “5324(c)”.

10 (c) DEFINITION OF NONFINANCIAL TRADE OR BUSI-
11 NESS.—

12 (1) IN GENERAL.—Section 5312(a) of title 31,
13 United States Code, is amended—

14 (A) by redesignating paragraphs (4) and
15 (5) as paragraphs (5) and (6), respectively; and

16 (B) by inserting after paragraph (3) the
17 Following new paragraph:

18 “(4) NONFINANCIAL TRADE OR BUSINESS.—
19 The term ‘nonfinancial trade or business’ means any
20 trade or business other than a financial institution
21 that is subject to the reporting requirements of sec-
22 tion 5313 and regulations prescribed under such sec-
23 tion.”.

24 (2) TECHNICAL AND CONFORMING AMEND-
25 MENTS.—

1 (A) Section 5312(c)(3)(C) of title 31,
2 United States Code, is amended by striking
3 “section 5316,” and inserting “sections 5332
4 and 5316,”.

5 (B) Subsections (a) through (f) of section
6 5318 of title 31, United States Code, and sec-
7 tions 5321, 5326, and 5328 of such title are
8 each amended—

9 (i) by inserting “or nonfinancial trade
10 or business” after “financial institution”
11 each place such term appears; and

12 (ii) by inserting “or nonfinancial
13 trades or businesses” after “financial insti-
14 tutions” each place such term appears.

15 (C) Section 981(a)(1)(A) of title 18,
16 United States Code, is amended by striking
17 “5313(a) or 5324(a) of title 31,” and inserting
18 “5313(a) or 5332 of title 31, or subsection (a)
19 or (b) of section 5324 of such title,”.

20 (D) Section 982(a)(1) of title 18, United
21 States Code, is amended by inserting “5332,”
22 after “5313(a),”.

23 (d) REPEAL OF DUPLICATE PROVISION.—Section
24 60501 of the Internal Revenue Code of 1986 is repealed.

25 (e) CLERICAL AMENDMENTS.—

1 (1) TITLE 31.—The tables sections for chapter
 2 53 of title 31, United States Code, is amended by
 3 inserting after the item relating to section 5331 the
 4 following new item:

“5332. Reports relating to coins and currency received in nonfinancial trade or
 business.”.

5 (2) INTERNAL REVENUE CODE OF 1986.—

6 (A) The table of sections for subpart B of
 7 part III of subchapter A of chapter 61 of the
 8 Internal Revenue Code of 1986 is amended by
 9 striking the item relating to section 60501.

10 (B)(i) Subsection (l) of section 6103 of
 11 such Code is amended by striking paragraph
 12 (15).

13 (ii) Subparagraph (A) of section
 14 6103(p)(3) of such Code is amended by striking
 15 “(15),”.

16 (iii) Paragraph (4) of section 6103(p) of
 17 such Code is amended by striking in the mate-
 18 rial preceding subparagraph (A) “(12)” and all
 19 that follows through “(16)” and inserting
 20 “(12), or (16)”.

21 (iv) Clause (ii) of section 6103(p)(4)(F) of
 22 such Code is amended by striking “(14), or
 23 (15)” and inserting “or (14)”.

1 (C) Paragraph (2) of section 6721(e) of
2 such Code is amended—

3 (i) in subparagraph (A) by striking
4 “60501,” and by adding “or” at the end;

5 (ii) by striking “or” at the end of sub-
6 paragraph (B) and inserting “and”; and

7 (iii) by striking subparagraph (C).

8 (D) Subparagraph (B) of section
9 6724(d)(1) of such Code is amended by striking
10 clause (iv) and by redesignating the succeeding
11 clauses accordingly.

12 (E) Paragraph (2) of section 6724(d) of
13 such Code is amended by striking subparagraph
14 (K) and by redesignating the succeeding sub-
15 paragraphs accordingly.

16 (F) Section 7203 of such Code is amended
17 by striking the last sentence.

18 (f) REGULATIONS; EFFECTIVE DATE.—

19 (1) REGULATIONS.—Regulations which the Sec-
20 retary of the Treasury determines are necessary to
21 implement this section shall be published in final
22 form before the end of the 6-month period beginning
23 on the date of the enactment of this Act.

24 (2) EFFECTIVE DATE.—The amendments made
25 by this section shall take effect at the end of the 6-

1 month period beginning on the date the regulations
2 referred to in paragraph (1) are published in final
3 form in the Federal Register.

4 **SEC. 28. PENALTIES FOR VIOLATIONS OF GEOGRAPHIC**
5 **TARGETING ORDERS AND CERTAIN RECORD**
6 **KEEPING REQUIREMENTS.**

7 (a) CIVIL PENALTY FOR VIOLATION OF TARGETING
8 ORDER.—Section 5321(a)(1) of title 31, United States
9 Code, is amended—

10 (1) by inserting “or order issued” after “sub-
11 chapter or a regulation prescribed”; and

12 (2) by inserting “, or willfully violating a regu-
13 lation prescribed under section 21 of the Federal
14 Deposit Insurance Act or section 123 of Public Law
15 91–508,” after “sections 5314 and 5315”).

16 (b) CRIMINAL PENALTIES FOR VIOLATION OF TAR-
17 GETING ORDER.—Section 5322 of title 31, United States
18 Code, is amended—

19 (1) in subsection (a)—

20 (A) by inserting “or order issued” after
21 “willfully violating this subchapter or a regula-
22 tion prescribed”; and

23 (B) by inserting “or willfully violating a
24 regulation prescribed under section 21 of the
25 Federal Deposit Insurance Act or section 123

1 of Public Law 91–508,” after “under section
2 5315 or 5324),”; and

3 (2) in subsection (b)—

4 (A) by inserting “or order issued” after
5 “willfully violating this subchapter or a regula-
6 tion prescribed”; and

7 (B) by inserting “willfully violating a regu-
8 lation prescribed under section 21 of the Fed-
9 eral Deposit Insurance Act or section 123 of
10 Public Law 91–508,” after “under section 5315
11 or 5324),”.

12 (c) STRUCTURING TRANSACTIONS TO EVADE TAR-
13 GETING ORDER OR CERTAIN RECORD KEEPING REQUIRE-
14 MENTS.—Section 5324(a) of title 31, United States Code,
15 is amended—

16 (1) by inserting a comma after “shall”;

17 (2) by striking “section—” and inserting “sec-
18 tion, the reporting requirements imposed by any
19 order issued under section 5326, or the record keep-
20 ing requirements imposed by any regulation pre-
21 scribed under section 21 of the Federal Deposit In-
22 surance Act or section 123 of Public Law
23 91–508—”; and

24 (3) in paragraphs (1) and (2), by inserting “,
25 to file a report required by any order issued under

1 section 5326, or to maintain a record required pur-
2 suant to any regulation prescribed under section 21
3 of the Federal Deposit Insurance Act or section 123
4 of Public Law 91–508” after “regulation prescribed
5 under any such section” each place that term ap-
6 pears.

7 (d) INCREASE IN CIVIL PENALTIES FOR VIOLATION
8 OF CERTAIN RECORD KEEPING REQUIREMENTS.—

9 (1) FEDERAL DEPOSIT INSURANCE ACT.—Sec-
10 tion 21(j)(1) of the Federal Deposit Insurance Act
11 (12 U.S.C. 1829b(j)(1)) is amended by striking
12 “\$10,000” and inserting “the greater of—

13 “(A) the amount (not to exceed \$100,000)
14 involved in the transaction (if any) with respect
15 to which the violation occurred; or

16 “(B) \$25,000”.

17 (2) PUBLIC LAW 91–508.—Section 125(a) of
18 Public Law 91–508 (12 U.S.C. 1955(a)) is amended
19 by striking “\$10,000” and inserting “the greater
20 of—

21 “(1) the amount (not to exceed \$100,000) in-
22 volved in the transaction (if any) with respect to
23 which the violation occurred; or

24 “(2) \$25,000”.

1 (e) CRIMINAL PENALTIES FOR VIOLATION OF CER-
2 TAIN RECORD KEEPING REQUIREMENTS.—

3 (1) SECTION 126.—Section 126 of Public Law
4 91–508 (12 U.S.C. 1956) is amended to read as fol-
5 lows:

6 **“SEC. 126. CRIMINAL PENALTY.**

7 “A person that willfully violates this chapter, section
8 21 of the Federal Deposit Insurance Act, or a regulation
9 prescribed under this chapter or that section 21, shall be
10 fined not more than \$250,000, or imprisoned for not more
11 than 5 years, or both.”.

12 (2) SECTION 127.—Section 127 of Public Law
13 91–508 (12 U.S.C. 1957) is amended to read as fol-
14 lows:

15 **“SEC. 127. ADDITIONAL CRIMINAL PENALTY IN CERTAIN**
16 **CASES.**

17 “A person that willfully violates this chapter, section
18 21 of the Federal Deposit Insurance Act, or a regulation
19 prescribed under this chapter or that section 21, while vio-
20 lating another law of the United States or as part of a
21 pattern of any illegal activity involving more than
22 \$100,000 in a 12-month period, shall be fined not more
23 than \$500,000, imprisoned for not more than 10 years,
24 or both.”.

1 **SEC. 29. INADMISSIBILITY OF ALIENS INVOLVED IN MONEY**
2 **LAUNDERING.**

3 Section 212(a)(2) of the Immigration and Nationality
4 Act of 1952, as amended (8 U.S.C. 1182(a)(2)), is amend-
5 ed by inserting after subparagraph (G) new subpara-
6 graphs (H) and (I) to read as follows:

7 “(H) MONEY LAUNDERING ACTIVITIES.—

8 Any alien who the consular officer or the Attor-
9 ney General knows or has reason to believe—

10 “(i) is or has been engaged in activi-
11 ties that constitute a violation of title 18,
12 United States Code, section 1956 or 1957,
13 or if engaged in within the United States
14 would constitute a violation of such section
15 1956 or 1957, or has been a knowing as-
16 sister, abettor, conspirator, or colluder
17 with others in any such illicit activity; or

18 “(ii)(I) is the spouse, son, or daughter
19 of an alien inadmissible under clause (i);

20 “(II) has, within the previous five
21 years, obtained any financial or other ben-
22 efit from such illicit activity of that alien;
23 and

24 “(III) knew or reasonably should have
25 known that the financial or other benefit
26 was the product of such illicit activity,

1 is inadmissible.

2 “(I) AGENCY-REQUESTED WAIVER.—Upon
3 request from a Federal, State, or local law en-
4 forcement agency, the Attorney General may, in
5 the Attorney General’s sole and unreviewable
6 discretion, waive the provisions of subparagraph
7 (H) in the case of an alien witness, potential
8 witness, a person cooperating with an investiga-
9 tion into major criminal activity, or an imme-
10 diate family member or close associate of a wit-
11 ness, potential witness, or person cooperating
12 with such an investigation, if the Attorney Gen-
13 eral determines that the alien will not pose a
14 danger to the safety of persons or property.”.

15 **SEC. 30. MISCELLANEOUS MINOR AMENDMENTS.**

16 (a) CRIMINAL FORFEITURE.—Section 982(b) of title
17 18, United States Code, is amended in subsection (b)(2),
18 by striking “The substitution” and inserting “With re-
19 spect to a forfeiture under subsection (a)(1), the substi-
20 tution”.

21 (b) DEFINITION OF FINANCIAL INSTITUTION.—Sec-
22 tion 5312(a)(2) of title 31, United States Code, is amend-
23 ed by redesignating subparagraphs (Y) and (Z) as (Z) and
24 (AA), respectively, and by inserting the following new sub-
25 paragraph after subparagraph (X):

1 “(Y) a bail bondsman;”.

2 (c) TECHNICAL AMENDMENT.—Section 981(d) of
3 title 18 United States Code, is amended by striking “sale
4 of this section” and inserting “sale of such property.”

5 (d) OBSTRUCTION OF JUSTICE.—Section
6 1510(b)(3)(B) of title 18, United States Code, is amended
7 by striking “or” the first time it appears and inserting
8 “, a subpoena issued pursuant to 28 U.S.C. 1782, or”.

9 **SEC. 31. COLLECTION OR CRIMINAL FORFEITURE JUDG-**
10 **MENT.**

11 Section 413 of the Controlled Substances Act (21
12 U.S.C. 853) is amended by adding the following sub-
13 section after subsection (q):

14 “(r) COLLECTION OF CRIMINAL FORFEITURE JUDG-
15 MENT.—In addition to the authority otherwise provided
16 in this section, an order of forfeiture may be enforced—

17 “(1) in the manner provided for the collection
18 and payment of fines in subchapter B of chapter
19 229 of title 18, United States Code; or

20 “(2) in the same manner as a judgment in a
21 civil action.”.

1 **SEC. 32. NONABATEMENT OF FORFEITURE WHEN DEFEND-**
2 **ANT DIES PENDING APPEAL.**

3 Section 413 of the Controlled Substances Act (21
4 U.S.C. 853) is amended by adding at the end the following
5 new subsection:

6 “(s) NONABATEMENT OF FORFEITURE ORDER.—An
7 order of forfeiture that has been made part of a criminal
8 sentence under this section shall not abate by reason of
9 the death thereafter of any or all of the defendants or peti-
10 tioners or potential petitioners, regardless of any appeal
11 that may be pending at the time of death.”.

○